

**IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

CONCORD MUSIC GROUP, INC., ET AL.,

Plaintiffs,

v.

ANTHROPIC PBC,

Defendant.

Case No. 3:23-cv-01092

Chief Judge Waverly D. Crenshaw, Jr.

Magistrate Judge Alistair Newbern

**DECLARATION OF JARED KAPLAN IN SUPPORT OF
DEFENDANT’S MOTION TO DISMISS FOR LACK OF PERSONAL JURISDICTION
AND IMPROPER VENUE OR, IN THE ALTERNATIVE, TO TRANSFER VENUE**

I, Jared Kaplan, declare the following:

1. I am a co-founder and the Chief Science Officer of Anthropic PBC (“Anthropic”) and submit this declaration in support of Defendant’s Motion to Dismiss for Lack of Personal Jurisdiction and Improper Venue or, in the Alternative, to Transfer Venue. Unless stated otherwise, all facts stated herein are within my personal knowledge.

2. I have been the Chief Science Officer of Anthropic since 2023, and I was previously a manager at Anthropic since its founding in 2021. I have extensive personal knowledge regarding Anthropic, and a detailed understanding of Anthropic’s business operations and practices. This includes a deep understanding and knowledge of how Anthropic’s generative artificial intelligence model was created and trained, its technical capacities and processes, and Anthropic’s goals for, and business operations of, the model today. If called upon, I would be willing to testify as set forth in this declaration.

3. I have read the Complaint filed by Plaintiffs in this Action and understand Plaintiffs have alleged, in part, that this Court has personal jurisdiction over Anthropic in the Middle District of Tennessee.

Anthropic's Operations

4. Anthropic is incorporated under the laws of Delaware.

5. Anthropic's headquarters and principal place of business are in San Francisco, California. Anthropic's only official office outside of California as of the date of this declaration is in London, United Kingdom.

6. Anthropic located its headquarters in San Francisco, California due, in part, to its many critical connections and partnerships in California, which have been instrumental to Anthropic's development and creation of a generative AI product, and to the continued working of that product today. Anthropic's proximity to its partners in California has been critical to facilitating this relationship and developing Anthropic's business.

7. As of the date of the Complaint, the vast majority of Anthropic's employees live in and work from California. This includes Anthropic's leadership, as well as its team of engineers involved in the design, training, and operation of Anthropic's generative artificial intelligence model, "Claude." Of Anthropic's 261 employees, only three live in Tennessee and work remotely with teams based in California. The three employees' job titles are:

- a. Recruiter
- b. Member of Technical Staff, Research Engineer
- c. Interim Head of Product and Head of Business Operations

8. Anthropic does not require these employees to live in and work from Tennessee. These employees' jobs are based in California, and these employees work remotely with their California teams from their homes in Tennessee.

9. None of the above-listed employees is responsible for the training, development, decision making, and/or promotion of Anthropic's generative artificial intelligence model, "Claude", or for any of the alleged activities in the Complaint. All of those alleged activities attributable to Anthropic are performed and overseen by Anthropic employees in California.

10. It is my understanding that all key witnesses with relevant information and knowledge related to the above-captioned lawsuit are located in California.

Anthropic's Generative Artificial Intelligence Model: Claude

11. Anthropic is an artificial intelligence safety and research company working to develop generative AI models. Generally speaking, generative AI models are software designed to generate original text, images, and computer code at a level that approximates human capabilities.

12. One category of generative AI models is large language models ("LLMs"). Generally speaking, LLMs are text-based generative AI models that use deep learning techniques and large data sets they have trained on to understand, summarize, generate, and predict new content.

13. After years of research, development, and training, Anthropic released its signature product, Claude, in March 2023 and Claude 2 in July 2023 (collectively, "Claude"). Claude is a conversational AI model, specifically a general purpose LLM, that allows users to engage in general, open-ended conversations involving complex reasoning, creativity, thoughtful dialogue, coding, or detailed content creation. As a result of the statistical, relational, and factual information

gleaned from its training, users can prompt Claude to create original works, including original text and computer code, at levels that approximate human cognition. Claude is designed to use the learnings from its training to facilitate the creation of new, original content.

14. Claude is trained on a “proprietary mix of publicly available information from the Internet, datasets that [Anthropic] licenses from third party businesses, and data that . . . crowd workers provide.” *See* Model Card and Evaluations for Claude Models at 2, a true and correct copy of which is attached as Exhibit A. Anthropic collects this training material for its “corpus” transparently, and in such a way that website operators can identify when Anthropic is accessing its website.

15. Claude was trained to learn and recognize language principles from vast data sets consisting of preexisting written content, which are known collectively as the “training corpus.” The training corpus may include text from publicly available websites on the Internet, open sources of pre-collected data sets, or data acquired from private sources.

16. Claude was trained by first breaking down the training corpus into “tokens,” which are basic units that can be mathematically represented. These tokens were, on average, roughly 3.5 characters in length.

17. For any given LLM model, an enormous number of tokens are required to properly train a functional LLM and to ultimately allow the LLM to recognize patterns in language to any useful degree. For example, Anthropic’s LLM Claude and Claude 2 were each trained using more than a trillion tokens.

18. Claude’s training process involved examining each token in the context of the text in which it appears as a whole and extracting statistical correlations between that token and other

parts of that text. In doing so, Claude was able to build a highly complex statistical model of the human language.

19. Building an accurate model of human language required Anthropic to collect a huge volume and a broad diversity of data. At the same time, Anthropic had and has no interest in extracting or retaining the actual expressive content of any particular text used to train Claude. The goal instead was and is to merely extract statistical inferences about language based on the relationships among various pieces of text.

20. Claude was created, trained, and developed at Anthropic's headquarters in San Francisco, California. The majority of the engineers that work on and train Claude on a day-to-day basis are based in California. The remaining engineers are located in London, New York, and Seattle, not Tennessee.

21. Key Anthropic employees involved in the decision making regarding development, training, and data collection are almost entirely based in California. At no point during Claude's development did any of Anthropic's employees working on Claude perform that work from Tennessee.

22. Other aspects of operations related to Anthropic's training of Claude similarly take place outside of Tennessee: the computers and data used to train Claude are hosted in Northern Virginia, the servers that host Claude today are based in Iowa, and Claude's source code is located remotely on GitHub (a Delaware corporation headquartered in San Francisco, California).

23. Anthropic's Claude website and API are maintained by employees based in California.

24. Anthropic offers Claude to users in every part of the country subject to the same Terms. At no point has Anthropic marketed Claude specifically or differently to users in Tennessee, or targeted users in Tennessee, and it has no plans to do so.

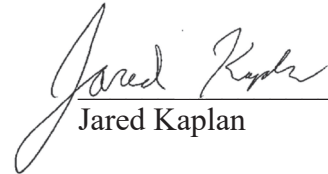
25. Users accessing Claude from Anthropic's website (<https://claude.ai>) must provide their email address, confirm they are over 18 years old, and affirmatively agree to Anthropic's Terms, Acceptable Use Policy, and Privacy Policy. Among other terms, users must agree to "submit to the personal and exclusive jurisdiction" of courts in California *and* "waive any claims that may arise under the laws of other jurisdictions." Anthropic's Terms of Service (<https://console.anthropic.com/legal/terms>) at 3, a true and correct copy of which is attached as Exhibit B. This language in Anthropic's Terms of Service is important to Anthropic, given its centralized location and relatively small size, in order to avoid the potential strain on its business of addressing claims brought by any of its many users located in less convenient forums across the United States and beyond. Even prior to Anthropic's current, September 6, 2023 Terms of Service, all users had to agree to arbitrate any "legal or equitable claim, dispute, action or proceeding arising from or related to [users'] use of [Anthropic's] Services" in San Francisco, California. Anthropic's Prior Terms of Service at 8, a true and correct copy of which is attached as Exhibit C.

26. Anthropic oversees all marketing and sales efforts from its California headquarters, and generally strives for a global reach in its marketing practices. For example, all of Anthropic's past and current marketing activity has been general and organic in nature, including social media posts on the Internet, Anthropic's website, and Anthropic's blog posts—all of which are available to and accessible by users all over the world. Anthropic has also engaged in email campaigns to its subscribers, which again, access Claude from all over the world. Anthropic has not undertaken any Tennessee-specific advertisements for Claude and has no plans to do so in the future.

27. Anthropic has never received any complaints from any users via a customer support alias about Claude producing allegedly infringing outputs, let alone any complaints from within Tennessee. Nor has Anthropic ever received a copyright takedown notice from a user in Tennessee.

I declare under penalty of perjury that to the best of my knowledge, information, and belief, the foregoing statements are true and correct.

Executed on November 22, 2023 at San Francisco, California.


Jared Kaplan